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30 July 1962

SOVIET POLICY ON BERLIN

- I. Chances are good that USSR will heighten Berlin crisis this fall.
 - A. Khrushchev has evidently concluded little chance exists of gaining Berlin agreement on terms favorable to him.
 - B. Berlin probably principle topic on agenda of July Warsaw Pact meeting.
 - C. Soviets deliberately creating hostile atmosphere.
 - 1. Moscow is sending strident warnings to US over Western actions in Berlin echoed by East German threats.
 - D. Khrushchev has revived threat of separate peace treaty pointing out that West will then have to deal with East Germany (GDR).
- II. Rusk-Gromyko talks in Geneva and Thompson-Khrushchev farewell conversations in Moscow indicate Soviet expect little from negotiations.
 - A. Khrushchev declared already clear that the dialogue was coming to an end.
 - B. Gromyko uncompromising on key issue of presence of Western forces in Berlin.
 - C. Gromyko seemed intent on convincing West that USSR prepared to sign separate peace treaty soon.
- III. Seems likely that West will be confronted with greatly increased pressures in Berlin in next few months.
 - A. New unilateral steps by Soviets can be expected.
 - B. Will probably undertake harassments aimed at probing for possible Western concessions.

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C. Pressures would also be designed to accomplish gradually some of the objectives of peace treaty and to sound out Western reaction to its implementation.

D. Khrushchev has already indicated that Soviets will proceed cautiously, posing series of minor challenges, each limited to minimize sharp Western reaction.

IV. Increasing indications that USSR will move to encroach on Western interests in a manner which they feel does not carry great risk of direct response by US and its Allies.

A. Soviets might close off East Berlin to Western military traffic, withdraw from Berlin Air Safety Center, or move to terminate four-power military liaison mission in Germany.

B. East German authorities fortifying and deepening defenses along Berlin Wall.

C. East Germans streamlining control procedures over non-allied passenger traffic on ground access routes into West Berlin in manner consistent with Soviet intent to involve East Germans more directly in controls over Allied road and rail traffic.

D. Communists tightening controls along entire 850 mile zonal border with West Germany. Evacuation of some housing facilities in 5 km. strip along border reportedly ordered by 31 August.

E. To date however, we have noted no repositioning of Soviet or East German military forces which might suggest anticipated action.

V. While chances for treaty during next several months seem to have increased, Soviets still holding door open to further negotiations.

A. This course enables USSR to maintain a degree of control over

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situation and provides opportunity for Soviets to assess impact of their actions on West.

- B. Soviets likely to sign treaty if harassments produce no significant concessions from West.
- C. In such event Moscow would attempt to manipulate implementation of treaty to permit changes of course if important shift in Western attitude forthcoming in negotiations.
- D. Some indication that USSR interested in bringing matter before UN where they would hope capitalize on worldwide concern over issue. Soviets could use this as delaying tactic if, at any time, they wish to reassess position.

VI. Although Soviets have set no deadline, early fall would seem most probable time for signing peace treaty.

- A. US, UK, Austrian Ambassadors in Moscow and US Berlin mission all conclude that if no movement in negotiations, peace treaty will probably be signed after August.
- B. If USSR preparing gradually to extend GDR sovereignty over land access routes into West Berlin, likely period would be just before or during fall military maneuvers in September-October.
- C. Tentative indications that Moscow already sounding out friendly neutrals, i.e., Finland, Yugoslavia, and possibly Indonesia for support of peace treaty and attendance at peace conference.
- D. Could sign abbreviated treaty altering conditions of access but without complete turnover of controls to East Germany.

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